Tea Export to Russia

842. SHRI KRISHNA KUMAR BIRLA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that STC has failed in its attempt to enter the Russian tea market in a big way resulting in a setback to the tea exports to Russia;

(b) if so, the reasons therefor;

(c) the estimated loss likely to occur in the tea exports to Russia as a result thereof; and

(d) the steps taken by Government to remove the impediments in the tea exports to Russia?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) to (c) STC exports small quantities of tea to Russia. Export of tea by STC to Russia and CIS countries has been insignificant so far mainly on account of abnormally long sea and land transportation period being taken for tea containers; non-competitiveness of price and non-availability of warehouse facilities in Russia. However, total estimated exports of tea from India to Russian Federation during the year 1995-96 were higher at 68.05 million kgs valued at Rs. 483.80 crores as compared to 41.06 million kgs during the year 1994-95 valued at Rs. 271.94 crores.

(d) With a view to step up export of Indian tea to Russia, Govt. have initiated the following measures:—

Signing of an Agreement with the Russian Govt., which inter-alia provides for import of tea by Russia under the debt replayment mechanism;

Compulsory pre-shipment inspection of tea exports to enforce strict quality control;

Promotional campaigns through Tea Board's Office at Moscow by way of: participation in trade fairs/exhibitions; media campaign to increase consumer awareness towards various unique characteristics of Indian tea and media compaigns to popularise Indian tea through Tea Board marketing symbol;

Launching of pure Indian brand tea, "Nargis" in the Russian market by way of a Consortium of Indian tea Producers with the assistance of Tea Board.

Decentralisation of Probe into Export Quality Complaints Regarding Quality of Exports

843. SHRI SATISH AGARWAL: Will the Minister of COMMERCE be pleased to state:

(a) whether attention of Government has been drawn to the news-item appearing in the Business Standard dated 24th June, 1996, captioned 'Bid to decentralise probe into export quality complaints';

(b) if so, the new guidelines in the matter; and

(c) what will be the role of the Directorate of foreign Trade under the revised policy?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) Yes, Sir.

(b) and (c) The work relating to complaints on export of sub-standard goods is being coordinated by the Export Commissioner in the Directorate General of Foreign Trade. Such complaints are initially referred for investigation and settlement, if feasible by the Regional Sub-Committees on Quality Complaints set up for the purpose. Cases where the Committees are unable to settle amicably and it is found that there is some basis for the complaints, are dealt with under the relevant provisions of the Foreign Trade (Development & Regulations) Act by the appropriate authority. There is no proposal as yet to further decentralise the system.